

MILLER | NASH
MILLER, NASH, WIENER, HAGER & CARLSEN LLP | ATTORNEYS AT LAW

David W. Hercher
Admitted in Oregon and Washington
hercher@millernash.com
(503) 205-2628 direct line
(503) 205-8618 direct fax

RECORDATION NO. 18689-M FILED
AUG 19 '98 2:59 PM

**Miller, Nash, Wiener,
Hager & Carlsen LLP**
3500 U.S. Bancorp Tower
111 S.W. Fifth Avenue
Portland, OR 97204-3699
(503) 224-5858
(503) 224-0155 fax
4400 Two Union Square
601 Union Street
Seattle, WA 98101-2352
(206) 622-8484
(206) 622-7485 fax

www.millernash.com

August 6, 1998

Secretary
Surface Transportation Board
Washington, D.C. 20423

Subject: Document to be Recorded (Railroad Cars)

Dear Secretary:

Enclosed for recording pursuant to Section 11301 of Title 49 of the U.S. Code are two fully executed counterpart originals of Second Amendment to Security Agreement dated May 31, 1995. The First Amendment to Security Agreement is a secondary document as defined in 49 C.F.R. § 1177. The primary document to which this is connected is a security agreement recorded under Recordation No. 18689 (the "Security Agreement").

The names and addresses of the parties to the Second Amendment to Security Agreement are as follows:

Debtor/Mortgagor:

Gunderson, Inc.
4350 N.W. Front Avenue
Portland, Oregon 97210

Secured Party/Mortgagee:

U. S. Bank National Association, formerly known as
United States National Bank of Oregon, as Agent for Lenders
Oregon Corporate Banking
111 S.W. Fifth Avenue
Portland, Oregon 97204

Included in the property covered by the Second Amendment to Security Agreement are railroad cars intended for use related to interstate commerce, or interests therein,

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Secretary

- 2 -

August 6, 1998

owned by Gunderson, Inc., at the date of the Security Agreement or thereafter manufactured or acquired by Gunderson, Inc., or its successors as owners of the railroad cars covered by the Security Agreement.

Also enclosed is a check in the amount of \$24 payable to the Surface Transportation Board as the recording fee.

Please return a stamped original of the Second Amendment to Security Agreement to the undersigned.

A short summary of the Second Amendment to Security Agreement to appear in the Commission's index is as follows:

Second Amendment to Security Agreement dated August 1, 1998, amending Security Agreement dated January 31, 1994, between Gunderson, Inc., debtor/mortgagor, and U.S. Bank National Association, formerly known as United States National Bank of Oregon, as agent, secured party/mortgagee, with Recordation No. 18689, and covering all railroad car inventory now owned or hereafter manufactured or acquired by Gunderson, Inc., or its successors.

Very truly yours,



David W. Hercher
Attorney for U.S. Bank National Association

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

OFFICE OF THE SECRETARY

DATE:8/19/98

David W. Hercher
Miller, Nash, Wiener, Hager &
Carlsen LLP
3500 US Bancorp Tower
111 SW Fifth Avenue
Portland, Oregon 97204-3699

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301
and 49 CFR 1177.3(c), on 8/19/98 at 2:59PM ,and
assigned recordation number(s). 18688-M, 18689-M, 18690-M, 18691-M, 18692-M ; and
18693-M.

Sincerely Yours,

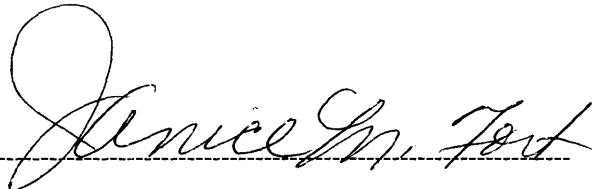

Vernon A. Williams

Enclosure(s)

156.00

\$-----The amount indicated at the left has been received in payment of a fee in
connection with a document filed on the date shown. This receipt is issued for the amount
paid. In the event of an error or any questions concerning this fee, you will receive a
notification after the Surface Transportation Board has an opportunity to examine your
document.

Signature-----


Denise M. Fort

SECOND AMENDMENT TO SECURITY AGREEMENT

DATE: August 1, 1998

RECORDATION NO. 18688-13 FILED gm
AUG 19 '98 2-59

BETWEEN: **GUNDERSON, INC.**, an Oregon corporation
4350 N.W. Front Avenue
Portland, Oregon 97210
Attention: Howard D. Werth ("Debtor")

AND: **U.S. BANK NATIONAL ASSOCIATION**,
a national banking association,
formerly known as United States National Bank of Oregon
Oregon Corporate Banking
111 S.W. Fifth Avenue
Portland, Oregon 97204
Attention: Sally J. Williams ("Secured Party")

RECITALS

A. The parties entered into a Security Agreement (Chattel Mortgage) dated January 31, 1994 (the "Security Agreement"), pursuant to the terms of a loan agreement among Gunderson, Inc., Bank of America Oregon (now known as Bank of America N.T. & S.A., and Secured Party (formerly known as United States National Bank of Oregon) for itself and as agent (the "Loan Agreement").

B. The Security Agreement was filed with the Interstate Commerce Commission on February 7, 1994, and given recordation No. 18689.

C. The parties amended the Security Agreement by first amendment to security agreement dated May 31, 1995.

D. The parties desire to again amend the Security Agreement in connection with an amendment and restatement of the Loan Agreement dated August 1, 1998.

NOW, THEREFORE, the parties hereby agree as follows:

1. The Security Agreement is amended to replace all references to United States National Bank of Oregon with references to U.S. Bank National Association and all references to Bank of America Oregon with references to Bank of America N.T. & S.A.

2. Section 1.(b) of the Security Agreement is hereby deleted.

3. Section 2 of the Security Agreement is amended to read in full as follows:

Obligations Secured.

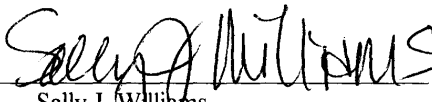
This Agreement is given to secure (a) performance of the covenants and agreements hereinafter made, (b) payment of all indebtedness now or hereafter owing to Secured Party or any Bank by Debtor, including performance of the covenants and agreements under that certain Second Amended and Restated Loan Agreement dated August 1, 1998, among Debtor, the Banks, and Secured Party as agent for the Banks (the "Loan Agreement"), as evidenced by promissory notes of even date herewith in the initial maximum principal amount of \$40,000,000 (the "Notes") and any and all renewals and extensions thereof whether or not evidenced by new or additional instruments, (c) performance of the covenants and provisions in all other agreements, certificates, guaranties, or other documents executed by Debtor in connection with the Loan Agreement and the Notes, and (d) payment of all advances, costs, expenses and reasonable attorney fees at trial, on appeal, or in any bankruptcy proceeding incurred by Secured Party or the Banks in servicing and enforcing the debts, obligations and liabilities of Debtor and in preserving, handling, protecting, collecting, foreclosing, disposing and otherwise realizing on any and all security therefor.

4. Except as herein modified, the terms and conditions of the Security Agreement are reaffirmed and ratified as though fully set forth herein. Capitalized terms used and not defined herein have the meanings set forth in the Security Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

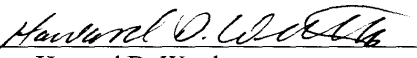
SECURED PARTY:

U.S. BANK NATIONAL ASSOCIATION

By 
Sally J. Williams
Vice President

DEBTOR:

GUNDERSON, INC.

By 
Howard D. Werth
Vice President

STATE OF OREGON)
) SS
COUNTY OF MULTNOMAH)

This instrument was acknowledged before me on Aug. 4, 1998, by Sally J. Williams as vice president of U.S. Bank National Association, a national banking association.

Leslie Replin
Notary Public for Oregon
My commission expires: 5-9-01



STATE OF OREGON)
) SS
COUNTY OF MULTNOMAH)

This instrument was acknowledged before me on July 31, 1998, by Howard D. Werth as vice president of Gunderson, Inc.

Carol M. Laurent
Notary Public for Oregon
My commission expires: 10-27-2001

